

1 UNITED STATES DISTRICT COURT
2 FOR THE NORTHERN DISTRICT OF OHIO
3 EASTERN DIVISION

4 IN RE: NATIONAL) MDL No. 2804
5 PRESCRIPTION OPIATE)
6 LITIGATION,) Case No.
7) 1:17-MD-2804
8)
9 THIS DOCUMENT RELATES TO) Hon. Dan A.
10 ALL CASES) Polster
11)

12
13
14 Tuesday, January 22, 2019
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22
23 HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER
24 CONFIDENTIALITY REVIEW
25

26
27 Videotaped 30(b)(6) Deposition of
28 Walmart, through the testimony of Susanne
29 Hiland, held at 4206 South J.B. Hunt Drive,
30 Rogers, Arkansas, commencing at 8:22 a.m., on
31 the above date, before Debra A. Dibble,
32 Certified Court Reporter, Registered
33 Diplomate Reporter, Certified Realtime
34 Captioner, Certified Realtime Reporter and
35 Notary Public.

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37
38
39 GOLKOW LITIGATION SERVICES
40 877.370.3377 ph | fax 917.591.5672
41 deps@golkow.com
42
43
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45

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PROCEEDINGS

(January 22, 2019 at 8:22 a.m.)

THE VIDEOGRAPHER: We are now

on the record. My name is Chris

Ritona. I am the videographer with

Golkow Litigation Services. Today's

date is January 22nd, 2019 and the

time is approximately 8:22 a.m.

This video deposition is being

held in Rogers, Arkansas, at Mitchell

Williams, 4206 South J.B. Hunt Drive,

Suite 200 in the Matter of National

Prescription Opioid Litigation MDL

No. 2804, Case No. 17-MD-2804 in the

United States District Court, Northern

District of Ohio, Eastern Division.

The deponent today is Susanne Hiland.

Will all counsel please identify

themselves for the record.

MR. BOWER: Good morning. Zach

Bower on behalf of MDL and the

plaintiffs.

MR. INNES: Good morning.

Michael Innes on behalf of the

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plaintiffs and the MDL.

MR. FAIRLEY: Carter Fairley

for Cardinal.

MS. BECHET: Jennifer Bechet,

senior associate counsel, Walmart,

Incorporated.

MR. ELMER: Scott Elmer from

Jones Day on behalf of Walmart.

MS. FUMERTON: Tara Fumerton

from Jones Day on behalf of Walmart.

MR. TABACCHI: Tina Tabacchi,

Jones Day on behalf of Walmart.

THE VIDEOGRAPHER: Will all

counsel on the conference call please

also identify themselves.

MS. BALASTER: Mary Balaster,

Reed Smith, on behalf of

AmerisourceBergen Corporation.

MR. WIENER: Seth Wiener,

Arnold & Porter Kaye Scholer, on

behalf of the Endo Par defendants.

MR. ZHOU: Jason Zhou, Jones

Day, on behalf of Walmart.

THE VIDEOGRAPHER: The court

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1 reporter today is Debbie Dibble. And
2 she will please now swear in the
3 witness.
4 SUSANNE HILAND,
5 having first been duly sworn, was examined
6 and testified as follows:
7 DIRECT EXAMINATION
8 BY MR. BOWER:
9 Q. Good morning, Ms. Hiland. How
10 are you today?
11 A. I'm fine, thank you.

[REDACTED]

Page 11

[REDACTED]

Page 12

[REDACTED]

Page 13

[REDACTED]

Page 14

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 Q. So it seems like you're fairly
23 familiar with the ground rules for a
24 deposition. Would that be accurate?

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1 A. Yes.
2 Q. Okay.
3 And so just to make sure we're
4 all on the same page, I just want to go over
5 a couple of those rules, just so there's no
6 issues moving forward. I think probably the
7 most important one is to make sure that you
8 understand my question. So if at any point
9 you don't understand the question, please
10 just let me know and I'll try to rephrase it.
11 Okay?
12 A. Okay.
13 Q. If you don't ask me to rephrase
14 it, I'll assume that you understand the
15 question as I asked it. Okay?
16 A. Okay.
17 Q. And you understand that your
18 answers today are on behalf of Walmart;
19 correct?
20 A. Yes.
21 Q. And that tomorrow you will be
22 providing your own fact testimony; is that
23 correct?
24 A. Yes.

Page 16

1 Q. And do you understand,
2 therefore, that the testimony you will give
3 today can be binding on the corporation?
4 A. Yes.
5 Q. Okay. How long have you been
6 working at Walmart?
7 A. 29 years.
8 Q. And I don't want to spend too
9 much time on your employment history, but can
10 you just -- let's start maybe in 2005, give
11 or take. Going forward. Okay?
12 A. Yes.
13 Q. What was your position in 2005?
14 A. At the start of 2005, I was a
15 regional director for operations. And then I
16 transitioned to a director of professional
17 services.
18 Q. And when would that transition
19 occur?
20 A. March of 2005.
21 Q. Okay.
22 During that time period, did
23 you have oversight over Walmart pharmacies?
24 MS. TABACCHI: Object to the

Page 17

1 form.
2 THE WITNESS: In the regional
3 role I had oversight, yes.
4 Q. (BY MR. BOWER) And what about
5 in the director role?
6 A. In the director role, I had
7 responsibilities for Board of Pharmacy
8 issues.
9 Q. What was your next position at
10 Walmart?
11 A. The next position was a
12 promotion to senior director. It was the
13 same department, but we -- the name of the
14 department changed to regulatory affairs.
15 Q. And when did that occur?
16 A. 2009.
17 Q. And just generally what were
18 your duties and responsibilities as the
19 senior director in regulatory affairs? Is
20 that an accurate description of your title at
21 that time?
22 A. That was my title.
23 Q. Okay.
24 And what were your -- just a

Page 18

1 general description of your duties and
2 responsibilities in connection with that
3 title.
4 A. I began to supervise the
5 directors that had responsibility for Board
6 of Pharmacy regulation.
7 I also had responsibility for
8 our licensing and registration function for
9 our facilities. And I had federal regulatory
10 responsibility as it related to our licensed
11 pharmacies.
12 MS. TABACCHI: Zach, of course,
13 you're welcome to inquire about the
14 witness's personal background, but
15 this is all beyond the scope of the
16 notice.
17 MR. BOWER: I'm just trying to
18 get, like I said, a very high level.
19 MS. TABACCHI: I just want to
20 make sure we're on the same page. I'm
21 not going to object to every question
22 during this portion.
23 MR. BOWER: No, I understand.
24 I'm just going to move quickly through

Page 19

1 this.
2 Q. (BY MR. BOWER) And what was
3 your next role at Walmart after senior
4 director of regulatory affairs?
5 A. For a short period of time in
6 July 2011, I was senior director of
7 compliance and quality assurance.
8 Q. So that was in 2011; is that
9 correct?
10 A. Yes.
11 Q. And then your next role after
12 that was?
13 A. February 2012 of -- I'll likely
14 not get the title correct, but it was senior
15 director of clinical quality assurance.
16 Q. Okay.
17 A. And that was the general title.
18 I'd have to look back to get the title
19 exactly correct.
20 Q. Approximately how many titles
21 would you say you've had at Walmart in your
22 29 years?
23 A. One -- a different one every
24 three years approximately.

Page 20

1 Q. What's your current title?
2 A. My current title -- on paper my
3 title is Senior Director II, business
4 strategy. That's an HR title.
5 In function, my title is senior
6 director of professional relations,
7 professional practice standards and clinical
8 services.
9 Q. Do you believe you are the
10 person at Walmart with the most knowledge of
11 Walmart's maintenance and effective controls
12 against diversion?
13 MS. TABACCHI: Object to the
14 form.
15 THE WITNESS: I believe that
16 I'm prepared to speak to that topic on
17 behalf of Walmart.
18 MR. BOWER: I move to strike
19 that answer.
20 Q. (BY MR. BOWER) I just would
21 ask you to please carefully listen to my
22 questions and answer the questions that I
23 ask. Okay?
24 A. Yes.

Page 21

1 Q. The question is, do you believe
2 that you are the person at Walmart with the
3 most knowledge of Walmart's -- strike that.
4 Do you believe you are the
5 person at Walmart with the most knowledge on
6 Walmart's maintenance of effective controls
7 against diversion?
8 MS. TABACCHI: Object to the
9 form, asked and answered.
10 THE WITNESS: Yes.
11 Q. (BY MR. BOWER) How did you
12 prepare for today's deposition?
13 A. I interviewed current and
14 former Walmart associates, I prepared with
15 counsel, and I reviewed documents.
16 Q. Okay. Let's take those one at
17 a time. Get just a little more detail on
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 22

[REDACTED]

Page 24

1 A. Yes. June 28th.
2 Q. Okay. And I see that, as I'm
3 asking my questions, you're referring to some
4 documents in front of you; is that correct?
5 A. Yes.
6 Q. Are you using those documents
7 to refresh your recollection for today's
8 deposition?
9 A. Yes.
10 Q. Is there any objection to
11 including that as an exhibit to today's
12 deposition?
13 MS. TABACCHI: After she's
14 finished using it.
15 MR. BOWER: Yes, yes, after
16 she's done using it. I just don't
17 know if there's going to be any
18 dispute as to what's in there.
19 MS. TABACCHI: We're not going
20 to dispute that.
21 MR. BOWER: Okay. Thank you.
22 (Whereupon, Deposition Exhibit
23 Walmart 1, First Notice of Deposition
24 Pursuant to Rule 30(b)(6) and Document

Page 23

[REDACTED]

10 Q. Okay. Can you represent for us
11 that every document you've reviewed has been
12 produced in this case?
13 MS. TABACCHI: I can make that
14 representation.
15 Q. (BY MR. BOWER) And
16 approximately how much time did you spend
17 meeting with counsel in preparation for
18 today's deposition?
19 A. We met on -- by phone or in
20 person. I didn't add up the -- it was on 13
21 different occasions that ranged from
22 90 minutes to 11 hours.
23 Q. Do you recall approximately
24 when the first of those meetings occurred?

Page 25

1 Request Pursuant to Rule 30(b)(6) and
2 Rule 343 to Wal-Mart Incorporation
3 D/B/A Walmart and Sam's Club, was
4 marked for identification.)
5 (Whereupon, Deposition Exhibit
6 Walmart 2, Second Notice of Deposition
7 Pursuant to Rule 30(b)(6) and Document
8 Request Pursuant to Rule 30(b)(6) and
9 Rule 343 to Wal-Mart Incorporation
10 D/B/A Walmart and Sam's Club, was
11 marked for identification.)
12 Q. (BY MR. BOWER) Handing you
13 what's been marked as Exhibits 1 and 2 for
14 today's deposition, which is just the
15 deposition notices that were issued prior to
16 your first meeting with counsel in June.
17 Do you recognize those
18 documents?
19 A. I do.
20 Q. You've reviewed those documents
21 prior to today?
22 A. Yes.
23 Q. Some of the folks you mentioned
24 speaking with, such as Mr. Abernathy, also

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1 provided depositions in this case. Did you
2 review those depositions in preparation for
3 today's deposition?
4 A. I reviewed depositions.
5 Q. Did you --
6 A. I --
7 Q. I don't want to cut you off.
8 If not, please finish.
9 A. I was finished.
10 Q. Did you review Mr. Abernathy's
11 deposition?
12 A. Yes.
13 Q. Did you review Mr. Ducote's
14 deposition?
15 A. Yes.
16 Q. Did you review Ms. Hodges'
17 deposition?
18 A. Yes.
19 Q. Did you review Ms. Johnson's
20 deposition?
21 A. Yes.
22 Q. Did you review Ms. Reed's
23 deposition?
24 A. Yes.

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1 Q. When did you first review a
2 deposition transcript in this case in
3 preparation for today's deposition?
4 A. It would have been -- if I
5 recall correctly, it would have been in -- it
6 was in December.
7 Q. Were you reviewing the
8 deposition transcripts kind of after they
9 were happening or did you wait until a
10 certain time to prepare for today's
11 deposition?
12 MS. TABACCHI: Object to the
13 form.
14 THE WITNESS: I reviewed the
15 transcripts as they were made
16 available.
17 Q. (BY MR. BOWER) Do you believe
18 you are the person at Walmart most
19 knowledgeable regarding Walmart's suspicious
20 order monitoring program for controlled
21 substances?
22 A. Yes.
23 MS. TABACCHI: Object to the
24 form.

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1 Q. (BY MR. BOWER) Do you believe
2 you were the person at Walmart with the most
3 knowledge on Walmart's policies and
4 procedures related to due diligence following
5 the detection of a suspicious order?
6 MS. TABACCHI: Object to the
7 form.
8 THE WITNESS: Yes.
9 Q. (BY MR. BOWER) Do you believe
10 you are the person at Walmart most
11 knowledgeable regarding the policies and
12 procedures and standards at Walmart used to
13 set and also thresholds for detecting orders
14 of interest?
15 MS. TABACCHI: Object to the
16 form.
17 THE WITNESS: Yes.
18 MS. TABACCHI: I also object to
19 that as restating the topics. So to
20 the extent that you're rephrasing the
21 topics that are either in the notice
22 or that we've agreed to, I will object
23 to those questions.
24 Q. (BY MR. BOWER) Are you

Page 29

1 familiar with the Controlled Substances Act?
2 A. Yes.
3 Q. And more specifically, are you
4 familiar with how the Controlled Substances
5 Act regulates distributors of controlled
6 substances?
7 MS. TABACCHI: Object to the
8 form. Calls for a legal conclusion,
9 beyond the scope of the notice.
10 THE WITNESS: I'm aware that
11 there are obligations within the
12 Controlled Substances Act for
13 distributors.
14 Q. (BY MR. BOWER) Are you aware,
15 for example, that Walmart must be registered
16 in order to distribute controlled substances;
17 is that correct?
18 A. Yes. Walmart's DCs are
19 registered for the Controlled Substances Act.
20 We're registered.
21 Q. Thank you for that
22 clarification.
23 And, in fact, Walmart DCs -- by
24 "DCs," you mean distribution centers;

Page 30

1 correct?
2 A. Yes.
3 Q. And in fact, Walmart
4 distribution centers were required to be
5 registered in order to distribute controlled
6 substances; is that an accurate statement?
7 A. Yes. That's my understanding.
8 Q. And in connection with that
9 requirement, those distribution centers were
10 obligated to institute suspicious order
11 monitoring programs for controlled
12 substances. Would you agree with that?
13 MS. TABACCHI: Object to the
14 form. Calls for a legal conclusion,
15 beyond the scope.
16 THE WITNESS: As a registrant,
17 we're required to implement systems to
18 detect orders and prevent diversion.
19 MS. TABACCHI: I'm sorry to
20 interrupt, but if someone has joined
21 the call, can we please get their
22 appearance for the record.
23 (Discussion off the record.)
24 Q. (BY MR. BOWER) I'm just trying

Page 31

1 to get an understanding as to whether Walmart
2 acknowledges that, as a distributor of
3 controlled substances, it must be registered
4 with the DEA. Do you agree with that?
5 MS. TABACCHI: Object to the
6 form. Asked and answered. Calls for
7 a legal conclusion and beyond the
8 scope of the notice.
9 THE WITNESS: Yes.
10 Q. (BY MR. BOWER) And would you
11 agree that, in order to maintain that
12 license, that registration, and in order to
13 maintain its ability to distribute controlled
14 substances, Walmart was obligated to
15 implement a program to monitor for the orders
16 of controlled substances.
17 Would you agree with that?
18 MS. TABACCHI: Object to the
19 form. Calls for a legal conclusion,
20 beyond the scope of the notice.
21 THE WITNESS: I'm aware that
22 there are requirements to implement
23 programs to alert us, the registrant,
24 of suspicious orders and investigate

Page 32

1 those orders.
2 Q. (BY MR. BOWER) And when you
3 say "I'm aware," you're speaking on behalf of
4 Walmart; correct?
5 A. Yes.
6 Q. So every time today when you
7 say "I'm," you are referring to you, you're
8 speaking on behalf of Walmart. That's your
9 understanding; correct?
10 MS. TABACCHI: I object to that
11 question. The -- we will take those
12 questions as they come. And there
13 will be times when you ask a question
14 that is not calling for an answer that
15 is on behalf of the corporation, so
16 we're not going to agree to a blanket
17 assertion that every question is on
18 behalf of the corporation.
19 Q. (BY MR. BOWER) Do you
20 understand that your answers today are on
21 behalf of the corporation?
22 MS. TABACCHI: To the extent
23 that they are within the scope of the
24 notice and our agreements.

Page 33

1 MR. BOWER: Look. I've let the
2 speaking objections go a little bit.
3 I would ask that you, so we don't take
4 time off the record the whole day,
5 just object to form and that way you
6 can sort it out later. But every
7 objection so far has been a lengthy
8 statement. I would ask if we could
9 save some time, just object to form so
10 we can move on.
11 MS. TABACCHI: I'll disagree.
12 I'll make my objections as
13 appropriate.
14 Q. (BY MR. BOWER) Do you
15 understand that your testimony today is on
16 behalf of the corporation?
17 A. Yes.
18 Q. And in your previous answer,
19 you referred to "I." Were you speaking on
20 behalf of yourself or the corporation when
21 you provided that answer?
22 MS. TABACCHI: Can you please
23 restate the question that you're
24 asking about?

Page 34

Page 36

1 Q. (BY MR. BOWER) Can you answer
2 that question?

3 A. Can you restate the question?

4 Q. I'll move on.

5 Do you agree that Walmart must
6 be proactive in designing a system to prevent
7 diversion?

8 MS. TABACCHI: Object to the
9 form, beyond the scope. Calls for a
10 legal conclusion.

11 THE WITNESS: I believe that we
12 have policies in place to detect and
13 prevent diversion. I believe that's
14 an obligation that we have.

15 Q. (BY MR. BOWER) And do you agree
16 that Walmart must be proactive in preventing
17 diversion?

MS. TABACCHI: Same objections.
Object to the form.

20 THE WITNESS: Yes, I believe
21 our policies and procedures were in
22 place to be proactive and prevent
23 diversion.

24 Q. (BY MR. BOWER) Do you know how

Page 35

Page 37

1 long the Controlled Substances Act has been
2 in place?

3 MS. TABACCHI: Beyond the scope
4 of the notice.

THE WITNESS: If I recall,
1970.

7 Q. (BY MR. BOWER) So Walmart is
8 aware that, going back to 1970, it had a --
9 to the extent it was distributing controlled
10 substances, it had an obligation to monitor
11 orders for those substances.

12 Would you agree with that?

MS. TABACCHI: Object to the
form. Beyond the scope of the notice.
Calls for a legal conclusion.

16 THE WITNESS: The regulations
17 would apply during the time period
18 that we were distributing controlled
19 substances as a registrant.

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[illegible]

A horizontal bar chart titled "U.S. should take action to address climate change." The y-axis lists age groups: 18-29, 30-49, 50-64, 65+, and "All adults." The x-axis represents the percentage of respondents, ranging from 0 to 100 in increments of 10. For each age group, there are two bars: a blue bar for "Men" and a red bar for "Women." The data is as follows:

Age Group	Men (%)	Women (%)
18-29	85	85
30-49	75	80
50-64	65	70
65+	55	60
All adults	70	75

Page 38

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23 Q. (BY MR. BOWER) Okay. Thank
24 you for that answer.

Page 40

1 What information -- what time
2 period did you prepare for to answer that
3 question?
4 A. The time period that was within
5 the scope of the notice.
6 Q. And do you recall what time
7 period it was?
8 A. I believe it was in the 2006
9 range. There were different time periods.
10 Q. Well, if you'd turn to
11 Exhibit 1, for example, and you turn to
12 page 5, do you see the relevant time period
13 on the bottom of page 5? As defined?
14 A. I do.
15 Q. Okay. So when your answer
16 referred to the notice, do you see the notice
17 asked for testimony from 1995 to the present?
18 A. I do.
19 Q. And as you sit here today,
20 you're prepared to answer questions from 2006
21 to the present; is that correct?
22 MS. TABACCHI: We have asserted
23 an objection to the relevant time
24 period, as you know.

Page 41

1 THE WITNESS: Could you please
2 restate the question?
3 Q. (BY MR. BOWER) And as you sit
4 here today, you're only prepared to testify
5 and answer questions from the time period of
6 2006 to the present; is that correct?
7 MS. TABACCHI: Per our
8 objection, and previous discussions.
9 Q. (BY MR. BOWER) Well, I
10 understand you've raised an objection, but
11 there was no previous discussions or
12 agreements to that time period. So I'm just
13 trying to understand what you are prepared
14 today to testify to. And the question is, am
15 I correct that you're only prepared to
16 testify today from the time period 2006 to
17 the present?
18 MS. FUMERTON: I'd just like to
19 add that this did go before Special
20 Master Cohen, our letter dated
21 August 31st, stating what the relevant
22 time period would be, and the
23 plaintiffs at that point in time did
24 not raise any issue, and Special

Page 42

1 Master Cohen did issue at that point
2 in time.
3 So I don't think it's accurate
4 for you to say that there has not been
5 a sort of agreement or decision
6 reached on this issue.
7 Moreover, Federal Rule 2 and 3
8 also talk about what the relevant time
9 period is in this case.
10 MR. BOWER: Do you need the
11 question read back to you?
12 THE WITNESS: Yes, please.
13 Q. (BY MR. BOWER) Okay.
14 And I'll just rephrase it. I'm
15 just trying to understand what you prepared
16 for today. Okay?
17 A. Yes.
18 Q. I don't think it's complicated.
19 I don't think we need all of those
20 objections. I'm just trying to find out what
21 you have in fact prepared for today.
22 Is it a fair statement that
23 you've prepared to testify today with respect
24 to the time period 2006 to the present?

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10 A. Much of it was
11 experience-based. There were very tenured
12 associates, and their jobs were
13 specifically -- they were specifically
14 assigned to the controlled substance
15 processing areas. And so they were very
16 familiar with practices and what might be out
17 of the ordinary.
18 Q. What specifically would they
19 look for?
20 A. They would be looking for
21 orders that were of an unusual size. They
22 would be monitoring for any type of an order
23 that was requested outside of a normal
24 ordering schedule that Walmart had

Page 46

1 established. And those were the -- those
2 were the things that they were looking for.

3 Q. What do you mean by "normal
4 ordering schedule that Walmart had
5 established"?

6 A. So for Walmart, the way that
7 our distribution was set up, every pharmacy
8 only received an order once a week. And so
9 that was the schedule. It was -- it was a
10 certain set of stores that would order four
11 days out -- one day of the week, but we only
12 distributed four days out of the week. And
13 so they could see also if there were manual
14 orders coming in or requests for some
15 different order schedule.

16 Q. So they were, for example,
17 looking at as to whether a store ordered more
18 than once a week? Is that correct?

19 A. What they would look for is --
20 there was a process for a store to order
21 outside of their normal pattern, so they
22 would be looking for those. And then
23 understanding why they needed it outside of
24 that normal day.

Page 47

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12 A. My understanding was that there
13 were -- there were processes in place before
14 we distributed C-IIs, and that started in
15 2002. So that when the DC was opened in
16 2002, there had been a lot of conversations
17 with the DEA prior to that, around current
18 processes, what needed to carry over and how
19 to open that building.

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11 Q. Did Mr. Culver convey to you
12 that he relied on those interactions with the
13 DEA in determining what policy would be used
14 to monitor for orders of controlled
15 substances?

16 MS. TABACCHI: Object to the
17 form. Beyond the scope.

18 You may answer.

19 THE WITNESS: What he conveyed
20 to me was that he worked interactively
21 with the DEA around requirements and
22 understanding what their expectations
23 were that ranged from physical
24 security of the buildings, the

Page 50

1 shipping mechanisms to ensure safe
2 transport, as well as any reporting or
3 processes that the associates were
4 conducting as they were order
5 monitoring.
[REDACTED]

Page 51

[REDACTED]

Page 52

1 for unusual orders of unusual size as the
2 orders were being processed.
3 Q. And how would they determine
4 whether an order was of unusual size?
5 A. These were --
6 MS. TABACCHI: Beyond the
7 scope.
8 THE WITNESS: These were
9 long-tenured associates that
10 understood the business and the fact
11 that we were self-distributing. So
12 they saw the -- they saw the patterns.
13 They worked with it every single day.
[REDACTED]

Page 53

[REDACTED]

Page 54

Page 56

[illegible]

The image shows a horizontal bar chart with 20 rows. Each row consists of a small black square on the left, followed by a column of text, and then a horizontal black bar of varying length. The bars represent different categories or values, with some being significantly longer than others. The text in the column is mostly illegible due to blurring.

Page 55

Page 57

[illegible]

Page 58

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Page 60

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Page 59

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Page 61

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Page 74

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Page 76

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Page 75

[REDACTED]

Page 77

[REDACTED]

1 facility. Over multiple interactions with
2 the DEA, they've seen our processes. They've
3 reviewed our reports. They've asked for
4 additional information which we've provided.
5 And so we have a -- we have a long history of
6 interaction, positive interaction, and
7 collaborative interaction with the DEA.

8 Q. (BY MR. BOWER) Okay. And now
9 I want to ask probably a better question than
10 the last one. So my question is more focused
11 than that. I want to ask specifically what
12 conversations has Walmart had with the DEA
13 regarding designing or implementing its
14 suspicious order monitoring program for
15 controlled substances?

16 MS. TABACCHI: Object to the
17 form.

THE WITNESS: The conversations have occurred over time, again, as the distribution center was established and reporting was pulled and reviewed. As a part, one part of our order monitoring, the DEA reviewed those reports, and at one point asked us to

■ [REDACTED]
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 ■ [REDACTED]

6 Q. (BY MR. BOWER) Did Walmart
7 rely on guidance from the DEA in implementing
8 or designing its suspicious order monitoring
9 programs?

10 A. We didn't solely rely on
11 guidance, but we certainly had conversations
12 with the DEA regarding our plans, and took
13 into consideration any recommendations,
14 thoughts, suggestions that they had for how
15 we established our policies and practices.

16 Q. And what conversations are you
17 referring to specifically?

18 A. We have -- so in speaking with
19 Scott Culver, Scott relayed the conversations
20 that he had with the DEA in establishing the
21 C-II facility, our distribution facility,
22 even before any plans were built. Blueprints
23 were reviewed. Contractors were -- or at
24 least DEA-approved contractors to build the

1 begin sending those to them on a
2 regular basis. I learned that through
3 a conversation with Scott Culver.

4 And then through the years, as
5 we've made certain changes, those
6 changes have been discussed through
7 audits that the DEA has conducted at
8 various of our facilities, where
9 they've -- they've actually asked to
10 review our order monitoring process.
11 It's a part of their audit on their
12 audit checklist, and we've -- we've
13 never had a reported deficiency in the
14 way that they've reviewed those
15 programs.

16 Q. (BY MR. BOWER) When was the
17 first time a conversation occurred between
18 someone at Walmart and someone at the DEA
19 regarding Walmart's design or implementation
20 of a suspicious order monitoring program?

21 MS. TABACCHI: Object to the
22 form.

23 THE WITNESS: So from an
24 overall perspective?

Page 82

1 MS. TABACCHI: Beyond the scope
2 of the notice from a time period
3 perspective. I'm sorry.
4 THE WITNESS: Before we
5 started -- before we stood up the
6 distribution center to distribute
7 opioids, C-IIIs, Scott Culver reached
8 out to the DEA to understand, make
9 sure that all of the plans that we had
10 that are inclusive of our obligations
11 around preventing diversion were
12 discussed with the DEA, and then,
13 again, ongoing conversations have
14 occurred as our program has evolved.
15 Q. (BY MR. BOWER) Were those
16 initial discussions that Scott Culver had
17 with the DEA specific to order monitoring?
18 A. There were -- there were
19 conversations around reporting and what
20 was -- what was expected. And how they --
21 how the operation would -- would be
22 established.
23 Q. And what did Walmart understand
24 that the DEA expected at that time?

Page 83

1 MS. TABACCHI: Beyond the
2 scope.
3 THE WITNESS: That our --
4 MS. TABACCHI: You may answer.
5 THE WITNESS: So the way that
6 our policies and procedures were set
7 up reflected our understanding of what
8 our obligations were at that time.
9 Q. (BY MR. BOWER) Well, I'm just
10 trying to get a little bit more information
11 as to what Walmart understood the DEA
12 expected.
13 So from those conversations,
14 what did Mr. Culver take away as to what the
15 DEA would require from a monitoring program?
16 MS. TABACCHI: Object to the
17 form. Beyond the scope.
18 THE WITNESS: We didn't discuss
19 in very specific detail any specific
20 ask.
21 What I do know is that the
22 programming that was implemented was
23 the result of those conversations.

Page 84

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Page 86

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Page 87

[REDACTED]

21 MR. BOWER: Do you guys want to

22 take a break? We've been going over

23 an hour. Just take a quick break?

24 MS. TABACCHI: Sure.

Page 88

1 THE VIDEOGRAPHER: 9:31. Going

2 off the video record.

3 (Recess taken, 9:31 a.m. to

4 9:43 a.m.)

5 THE VIDEOGRAPHER: 9:43. We

6 are on the video record.

7 Q. (BY MR. BOWER) All right.

8 We're back on the record, Ms. Hiland. I'm

9 going to hand you what's been marked as

10 Exhibit 4.

11 (Whereupon, Deposition Exhibit

12 Walmart 4, 3-11-10 email from Edward

13 Harris. Subj: Updated: Wal-mart

14 Dendrite Conf. Call-Mon. March 15 @

15 11:00 Eastern/ 10:00 Central,

16 WMT_MDL_000011558-11565, was marked

17 for identification.)

18 Q. (BY MR. BOWER) And so while

19 you're reviewing that, please take a moment

20 to review it. I will state for the record

21 that this is an email with several

22 attachments. I only included one attachment,

23 which is the document beginning with 11562.

24 Because all the questions will be focused on

Page 89

1 this.

[REDACTED]

13 And just for the record, while

14 the witness is reviewing it, the Bates

15 number on this document is 11558, and

16 the attachment -- as I noted, there

17 are several attachments. This

18 attachment, its Bates number is 11562

19 through 565.

20 MS. TABACCHI: Zach, can you

21 tell us what are the pages that are

22 missing from this document?

23 MR. BOWER: Do you mean the

24 Bates numbers?

Page 94

1 Department of Justice/Drug Enforcement
2 Administration, CAH_MDL2804_
3 01564780-1564773, was marked for
4 identification.)

5 Q. (BY MR. BOWER) You've been
6 handed what's been marked as Exhibit 5 to
7 today's deposition. And this is -- Exhibit 5
8 includes all four Rannazzisi letters. They
9 were produced by a different defendant in
10 this action. But I'm just using them for
11 sake of completeness.

12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
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19 [REDACTED]
20 [REDACTED]
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23 [REDACTED]
24 [REDACTED]

Do you see those?

Page 95

1 MS. TABACCHI: Object to the
2 form, and in particular to the
3 reference to like all four Rannazzisi
4 letters. As you noted, these are from
5 another defendant's production.

6 MR. BOWER: And I will note
7 that each of the letters notes that
8 they were being sent to every
9 commercial entity in the United States
10 who had registered with the DEA to
11 distribute controlled substances.

12 Q. (BY MR. BOWER) And would you
13 agree that Walmart was registered with the
14 DEA to distribute controlled substances from
15 2006 through 2014?

16 MS. TABACCHI: Zach, I'm sorry.
17 She's still trying to read.

18 MR. BOWER: I'm not asking her
19 a question about the document. She
20 can put that aside for the moment.

21 MS. TABACCHI: You're not
22 asking her a question from the
23 document.

24 MR. BOWER: Not at the moment,

Page 96

1 no. You can put that aside.

2 Q. (BY MR. BOWER) Would you agree
3 that Walmart was a commercial entity
4 registered with the Drug Enforcement
5 Administration to distribute controlled
6 substances from January 1st, 2006 through
7 2017?

8 MS. TABACCHI: Object to the
9 form.

10 [REDACTED]
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Page 97

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Page 114

Page 116

6 Q. (BY MR. BOWER) And by

"corporate office," is it the same or synonymous to "home office"?

A. Yes.

10 Q. Okay. And just to be clear,
11 you did review this letter in preparation for
12 your deposition today; correct?

A. Yes.

Page 115

Page 117

[illegible][illegible][illegible]

Page 122

[REDACTED]

23 Q. And we can talk about that

24 maybe in a few minutes. I just wanted to

Page 123

1 clear that up.

[REDACTED]

Page 124

[REDACTED]

Page 125

9 THE WITNESS: So we continued

10 our collaborative work with the DEA.

11 But we didn't rely on a yes-or-no

12 opinion from the DEA. We would put

13 policies, practices in place, and then

14 communicate with the DEA over time and

15 make changes if there were changes

16 that were suggested, and we

17 implemented changes to our policies

18 independently ahead of DEA approval or

19 blessing.

20 Q. (BY MR. BOWER) Is it Walmart's

21 testimony today that the DEA has ever

22 approved or blessed Walmart's policies for

23 monitoring orders of controlled substances?

24 MS. TABACCHI: Object to the

Page 126

1 form.

2 THE WITNESS: We've had

3 conversations with the DEA where they

4 agreed with the process that we

5 were -- that we had implemented versus

6 an outright approval.

7 Q. (BY MR. BOWER) And when did

8 those conversations occur, where the DEA

9 occurred with the process that was

10 implemented?

11 A. So Scott Culver relayed to me

12 the conversations that I testified to

13 earlier, with the DEA, around our early

14 programs. And then we have, through audits

15 that were conducted, different -- at the

16 different distribution centers we have

17 associates relaying information from the DEA,

18 with no audit finding any deficiency. And I

19 spoke to Mike Mullins, and he relayed to me

20 that on the DEA audit form, order monitoring

21 was one of the areas that they checked. So

22 from that, we found -- we have not been aware

23 that we've had a deficiency in our program.

24 Q. Well, my question is a little

Page 127

1 bit different, though. As you sit here

2 today, can you provide to us any specific

3 conversations where the DEA blessed or

4 otherwise endorsed Walmart's suspicious order

5 monitoring program?

6 MS. TABACCHI: Object to the

7 form. Asked and answered.

8 THE WITNESS: No, I testified

9 that there was no specific deeming of

10 appropriateness. There were reviews

11 of our processes over time and never a

12 deficiency noted.

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

Page 128

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

Page 129

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

Page 130

[REDACTED]

Page 132

[REDACTED]

Page 131

[REDACTED]

Page 133

[REDACTED]

Page 138

Page 140

Q. Did Walmart's policies and procedures as of January 2008 take into account this criteria as defined here by Mr. Rannazzisi that I just read?

MS. TABACCHI: Object to the form.

THE WITNESS: So our policies and procedures were developed with our understanding of what we were required to -- our -- the obligations that we had under the Controlled Substances Act, in conversation with DEA agents throughout the entirety of our distribution of controlled substances.

Q. (BY MR. BOWER) Now, is it Walmart's position that those conversations somehow superseded this communication from Mr. Rannazzisi?

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Page 141

MS. TABACCHI: Object to the form.

THE WITNESS: We were working collaboratively with the DEA agents that we had on the ground that were in our buildings and saw our operations. And so as time went on, and our business evolved, our practices evolved, we remained in communication with those DEA agents that were actually in our buildings.

Page 142

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 Q. (BY MR. BOWER) Okay. And if
11 you look back to Exhibit 5, you will see that
12 Mr. Rannazzisi also sent a letter to all
13 registrants in June 2012.
14 Okay. If you could turn to the
15 second-to-the-last page of Exhibit 5.
16 Do you see that? Do you see
17 the date on there, June 12, 2012?
18 A. Yes.
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 143

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 Q. (BY MR. BOWER) Do you disagree
14 that the DEA sent this letter to every entity
15 in the United States who was registered with
16 the Drug Enforcement Administration to
17 manufacture or distribute controlled
18 substances?
19 MS. TABACCHI: Object to the
20 form. Beyond the scope of the notice.
21 Lack of foundation.
22 THE WITNESS: I see that in the
23 heading.
24 Q. (BY MR. BOWER) And during this

Page 144

1 time period, Walmart fit that definition;
2 correct?
3 MS. TABACCHI: Object to the
4 form.
5 THE WITNESS: Correct.
6 Q. (BY MR. BOWER) And do you see
7 here, again, if you look at the third
8 paragraph, in the last two sentences there,
9 Mr. Rannazzisi again is reemphasizing the
10 point about reliance of the DEA. He says,
11 "This regulation clearly places the
12 responsibility on the registrant to design
13 and operate such a system. Accordingly, DEA
14 does not approve or otherwise endorse any
15 specific system for reporting suspicious
16 orders."
17 Do you see that?
18 A. I'm sorry, I don't -- I didn't
19 see where you were -- I didn't follow.
20 Q. The first full paragraph there,
21 the paragraph starting "Under federal law"?
22 A. I see that.
23 Q. The last two sentences there.
24 I can read it again if that's

Page 145

1 helpful. It starts with "This regulation."
2 And it states, "This regulation clearly
3 places the responsibility on the registrant
4 to design and operate such a system.
5 Accordingly, DEA does not approve or
6 otherwise endorse any specific system for
7 reporting suspicious orders."
8 Do you see that?
9 MS. TABACCHI: Object to the
10 form. Lack of foundation. Beyond the
11 scope of the notice.
12 THE WITNESS: Yes, I see that.
13 Q. (BY MR. BOWER) So if, in fact,
14 Walmart did receive this letter in 2012, then
15 it was again put on notice that it shouldn't
16 rely on its communications with the DEA for
17 approving its program for monitoring orders
18 of controlled substances. Correct?
19 MS. TABACCHI: Object to the
20 form. Calls for a legal conclusion.
21 Improper hypothetical. Beyond the
22 scope of the notice.
23 THE WITNESS: So -- so, again,
24 we weren't relying on them to endorse

Page 146

1 a specific system. I mean, I can't --
2 I can't read into what is intended by
3 this. We knew that our responsibility
4 was our own responsibility. And that
5 if there was a program in place, it
6 was ours to develop.
7 We did not rely on the DEA to
8 say, "This system is blessed, move
9 forward."
10 We implemented programs over
11 time, that we had communications with
12 the DEA, and had -- and did not have
13 an indication from them that there
14 were gaps.
[REDACTED]

Page 147

[REDACTED]

10 Q. (BY MR. BOWER) Was Walmart
11 registered to distribute controlled
12 substances with the DEA?
13 MS. TABACCHI: Object to the
14 form. Time period.
15 MR. BOWER: Ever.
16 THE WITNESS: Yes.
17 Q. (BY MR. BOWER) During what
18 time period was Walmart registered?
19 A. From the time period at least
20 from 2006 through the time that we ceased
21 distribution in 2018.
[REDACTED]

Page 148

[REDACTED]

Page 149

[REDACTED]

Page 150

[REDACTED]

Page 152

[REDACTED]

Page 151

[REDACTED]

Page 153

[REDACTED]

Page 154

[REDACTED]

Page 156

[REDACTED]

Page 155

[REDACTED]

Page 157

[REDACTED]

Page 158

[REDACTED]

Page 160

[REDACTED]

Page 159

[REDACTED]

Page 161

[REDACTED]

3 MS. TABACCHI: Object to the
4 form. Beyond the scope of the notice,
5 improper hypothetical and beyond --
6 and legal conclusion.
7 THE WITNESS: Can you repeat
8 the question?
9 MR. BOWER: Okay. So we've
10 been going a long time. Not today.
11 I've been pretty consistent allowing
12 those objections. You've taken a lot
13 of time on the record. I would ask
14 again just to please object to form.
15 When you do so, the witness then asks
16 me to rephrase the question and we
17 waste more time on the record.
18 So I'm just going to keep
19 making that request and you can ignore
20 it if you want.

[REDACTED]

Page 162

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

MR. BOWER: Okay. Why don't we

Page 163

1 take a break and then we'll do what
2 you just asked to do. Okay?
3 THE VIDEOGRAPHER: 10:46. We
4 are off the video record.
5 (Recess taken, 10:46 a.m. to
6 11:08 a.m.)
7 THE VIDEOGRAPHER: 11:09. We
8 are on the video record.
9 Q. (BY MR. BOWER) Okay.
10 Ms. Hiland, we're back on the record. I just
11 have a couple more, very quick questions on
12 Exhibit 6, which is the Walmart letter.
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 164

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

MR. BOWER: You can put that

Page 165

1 one aside for a moment, and we're
2 going to hand you a composite exhibit
3 which has been marked Exhibit 7.
4 (Whereupon, Deposition Exhibit
5 Walmart 7, Tab 1 Walmart Responses to
6 Plaintiffs' (First) Combined Discovery
7 Requests to National Retail Pharmacies
8 Defendants, Tab A
9 WMT_MDL_000044441-44499, Tab B
10 WMT_MDL_000009423-9424, Tab C
11 WMT_MDL_000053813-53815, Tab D
12 WMT_MDL_0000 43316-43373, Tab 2
13 WMT_MDL_000011106, Tab 3
14 WMT_MDL_000011107-11109, Tab 4
15 WMT_MDL_000000963-965, Tab 5
16 WMT_MDL_000000966-968, Tab 6
17 WMT_MDL_000000969-971, Tab 7
18 WMT_MDL_000008377-8379, Tab 8
19 WMT_MDL_0000004237-4239, Tab 9
20 WMT_MDL_000004781-4783, was marked for
21 identification.)
22 Q. (BY MR. BOWER) So please take
23 a moment and review Exhibit 7. I imagine it
24 somewhat overlaps with the documents you have

Page 166

1 in your binder, but Exhibit 7 is Walmart's
2 responses to plaintiffs' combined discovery
3 requests.

4 A copy of that, and then the
5 exhibits, A, B, C, are just the documents
6 referenced therein.

[REDACTED]

Page 168

[REDACTED]

Page 167

[REDACTED]

Page 169

[REDACTED]

17 We were running -- and so -- so
18 as to those orders, if an order was
19 identified, they would alert a manager, and a
20 manager would work with the operations
21 leadership to determine the reason for that.
22 Q. Now, if you look at Walmart's
23 responses to the combined discovery requests,
24 on page 4, the first bullet point, is that

Page 170

1 the policy you're referring to? Where it
2 says "From as early as 1994 until 2010,
3 employees in Walmart's pharmacy distribution
4 centers reviewed controlled drug stock
5 exception reports, followed up on orders by
6 speaking with pharmacists, and escalated
[REDACTED]

Page 172

[REDACTED]

Page 171

[REDACTED]

Page 173

[REDACTED]

Page 174

Page 176

Page 175

Page 177

Page 178

[REDACTED]

Page 180

[REDACTED]

Page 179

[REDACTED]

Page 181

[REDACTED]

Page 182

[REDACTED]

Page 184

[REDACTED]

Page 183

[REDACTED]

Page 185

[REDACTED]

Page 186

[REDACTED]

Page 188

[REDACTED]

Page 187

[REDACTED]

Page 189

[REDACTED]

Page 190

[REDACTED]

Page 192

[REDACTED]

Page 191

[REDACTED]

Page 193

[REDACTED]

Page 194

Page 196

Page 195

Page 197

A. They would hold that order, conduct outreach to understand the nature of the order, and then at the -- at the point at which they were able to clear that order, they -- that's the point at which it would be shipped.

A horizontal bar chart titled 'U.S. should take action to address climate change'. The y-axis lists age groups: 18-29, 30-49, 50-64, 65+, and 'All adults'. The x-axis shows percentages from 0 to 100. For each age group, there are two bars: a blue bar for 'Total' and a red bar for 'Men'. The data is as follows:

Age Group	Total (%)	Men (%)
18-29	92	88
30-49	88	85
50-64	85	82
65+	82	78
All adults	85	82

A horizontal bar chart titled "U.S. should take action to address climate change." The y-axis lists age groups: 18-29, 30-49, 50-64, 65+, and "Total". The x-axis represents the percentage of respondents, ranging from 0 to 100 in increments of 10. For each age group, there are two bars: a blue bar for "Men" and a red bar for "Women". The data is as follows:

Age Group	Men (%)	Women (%)
18-29	85	85
30-49	80	80
50-64	75	75
65+	65	65
Total	75	75

Response	Percentage
U.S. should take action	10%
U.S. should take action	20%
U.S. should take action	30%
U.S. should take action	40%
U.S. should take action	50%
U.S. should take action	60%
U.S. should take action	70%
U.S. should take action	80%
U.S. should take action	90%
U.S. should not take action	10%
U.S. should not take action	20%
U.S. should not take action	30%
U.S. should not take action	40%
U.S. should not take action	50%
U.S. should not take action	60%
U.S. should not take action	70%
U.S. should not take action	80%
U.S. should not take action	90%

Row	Bar Length (approx. %)
1	85
2	82
3	95
4	75
5	90
6	55
7	98
8	25
9	92
10	15
11	88
12	95
13	78
14	35
15	95
16	80
17	90
18	95
19	80
20	98

Page 202

[REDACTED]

Page 204

[REDACTED]

Page 203

[REDACTED]

Page 205

[REDACTED]

Page 206

[REDACTED]

Page 208

[REDACTED]

Page 207

[REDACTED]

Page 209

[REDACTED]

Page 210

[REDACTED]

Page 212

[REDACTED]

Page 211

[REDACTED]

Page 213

[REDACTED]

Page 214

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 training as -- as the associates came
8 in around what their duties and
9 responsibilities were.
10 Q. (BY MR. BOWER) And what
11 specific training was provided in connection
12 with monitoring for orders of controlled
13 substances?
14 MS. TABACCHI: Same objections.
15 THE WITNESS: I don't have
16 specific to that -- to that topic.
17 What they understood was their
18 responsibilities, how to perform their
19 duties in their area of
20 responsibility, and the nature of the
21 items that they were --
22 Q. (BY MR. BOWER) Well, how do
23 [REDACTED]
24 [REDACTED].

Page 215

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 What did Scott tell you with
19 respect to the training for associates who
20 were reviewing orders of substances in 2007?
21 A. What he told --
22 MS. TABACCHI: Object to the
23 form.
24 THE WITNESS: What he told me

Page 216

1 was that there were long-tenured
2 logistics associates that had -- many
3 of them had been in that building
4 since the day that it opened. They
5 understood their -- they understood
6 the products that they were
7 distributing. They understood their
8 role. And they were all engaged in
9 executing the policies and practices
10 at DC '45.
11 Q. (BY MR. BOWER) So is it a fair
12 statement that it was more their experience
13 and specific training that he had relied on
14 in reviewing orders for controlled
15 substances?
16 MS. TABACCHI: Object to the
17 form.
18 THE WITNESS: Their -- learning
19 how to do their job would be part of
20 their training. And Walmart has other
21 training plans. So to -- but specific
22 to order monitoring, it was part of
23 the job that they were trained to do.
24 [REDACTED]

Page 217

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 218

[REDACTED]

Page 220

[REDACTED]

Page 219

[REDACTED]

Page 221

[REDACTED]

21 Q. (BY MR. BOWER) Were these
22 controlled drug stock exception reports used
23 by the associates at DC 6045 to monitor
24 orders for controlled substances as they

Page 222

1 were -- came into the DC?
2 MS. TABACCHI: Object to the
3 form.
4 THE WITNESS: No. These were
5 monthly reports.

[REDACTED]

Page 224

[REDACTED]

Page 223

[REDACTED]

Page 225

[REDACTED]

Page 226

[REDACTED]

Page 228

[REDACTED]

Page 227

[REDACTED]

Page 229

[REDACTED]

Page 234

1 position?

2 MS. TABACCHI: Object to the

3 form.

4 THE WITNESS: The purpose of

5 the order from the pharmacy that I

6 supervised.

7 Q. (BY MR. BOWER) And how would

8 the folks in your position determine what the

9 purpose of that order was?

10 A. I would --

11 MS. TABACCHI: Object to the

12 form.

13 THE WITNESS: -- do one of

14 several things that might include

15 talking to a pharmacist, talking to a

16 pharmacy manager. I could go on-site.

17 I could look at their -- the specifics

18 around that drug.

19 There were -- there was a lot

20 of information that I had access to,

21 because I supervised those pharmacies.

22 Q. (BY MR. BOWER) Well, let's

23 break that down. You give us some things you

24 would do. Right? So what would you talk to

Page 235

1 a pharmacist about?

2 A. I would ask them why they

3 needed the order.

4 Q. And would you rely on what they

5 told you?

6 A. It would depend on the

7 circumstance --

8 Q. Okay.

9 A. -- of the response.

10 Q. Can you recall any specific

11 time where you asked a pharmacist a question

12 and you needed more follow-up?

13 MS. TABACCHI: Object to the

14 form. Beyond the scope.

15 THE WITNESS: I don't recall a

16 specific situation.

17 Q. (BY MR. BOWER) Not a single

18 time that you can recall specifically?

19 MS. TABACCHI: Same objections.

20 THE WITNESS: No, I --

21 Q. (BY MR. BOWER) Okay. And the

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

Page 236

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

Page 237

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

Page 238

[REDACTED]

Page 240

[REDACTED]

Page 239

[REDACTED]

Page 241

[REDACTED]

15 MS. TABACCHI: Zach, can we
16 take a break?
17 MR. BOWER: Well, I'm just
18 trying to get through this, because I
19 need an answer to this and I don't
20 think I've gotten one yet.

[REDACTED]

Response	Percentage
U.S. should take action to reduce greenhouse gas emissions	95%
U.S. should not take action to reduce greenhouse gas emissions	5%

8 MS. TABACCHI: Zach, object to
9 the form. You need to read the entire
10 bullet and we've been on this bullet
11 for a long time.

12 MR. BOWER: We have, but we
13 haven't got much answer on it, have
14 we?

15 MS. TABACCHI: You're just not
16 satisfied with the answer you have.

17 MR. BOWER: No, I am satisfied.
18 I just don't think the witness
19 understands what I'm asking, and I'm
20 trying to ask it in a way that she
21 maybe understands.

22 Q. (BY MR. BOWER) So my question
23 is, when these orders are escalated to market
24 and/or region leadership as needed, what did

1 those folks do? I'm just trying -- what was
2 the policy as to what those folks were
3 supposed to do?

4 MS. TABACCHI: Asked and
5 answered.

THE WITNESS: They would have a conversation with the logistics associate that was reaching out to them to understand what the question was, and then they would go find whatever information, validate what they had already heard from the pharmacist, or follow up specific to whatever the point of escalation was.

15 It says "as needed."

[illegible]

1. [REDACTED]

2. [REDACTED]

3 MR. BOWER: All right. We can
4 take a break. Do you want to take a
5 lunch break now?

6 MS. TABACCHI: Yes.

7 THE VIDEOGRAPHER: 12:15. We
8 are off the video record.

9 (Recess taken, 12:15 p.m. to
10 1:02 p.m.)

11 THE VIDEOGRAPHER: 1:02. We
12 are on the video record.

13 Q. (BY MR. BOWER) We're back from
14 lunch, Ms. Hiland. Do you understand you're
15 still under oath?

16 A. Yes.

17 Q. So we spent some time this
18 morning going through bullet point 1, and I
19 just have a couple broad follow-up questions
20 and we can move on. Okay?

21 A. Okay.

■ [REDACTED]
 ■ [REDACTED]
 ■ [REDACTED]

Response	Percentage
U.S. should take action	10%
U.S. should take action	20%
U.S. should take action	30%
U.S. should take action	40%
U.S. should take action	50%
U.S. should take action	60%
U.S. should take action	70%
U.S. should take action	80%
U.S. should take action	90%
U.S. should not take action	10%
U.S. should not take action	20%
U.S. should not take action	30%
U.S. should not take action	40%
U.S. should not take action	50%
U.S. should not take action	60%
U.S. should not take action	70%
U.S. should not take action	80%
U.S. should not take action	90%

Page 246

[REDACTED]

Page 248

[REDACTED]

Page 247

[REDACTED]

Page 249

[REDACTED]

Page 250

[REDACTED]

Page 252

[REDACTED]

Page 251

[REDACTED]

Page 253

[REDACTED]

Page 254

[REDACTED]

Page 256

[REDACTED]

21 Now let's go to bullet point 4
22 for a minute. Now we're in the time frame
23 2011 to 2015; correct?
24 A. Correct.

Page 255

[REDACTED]

Page 257

1 Q. And this is when Walmart first
2 implemented order alerts in Reddwerks;
3 correct?
4 A. Yes.
5 Q. Do you know when in 2011
6 Walmart first implemented order alerts in
7 Reddwerks?
8 A. I don't know the exact date.
9 Q. Is that something you prepared
10 to testify on today?
11 MS. TABACCHI: Object to the
12 form.
13 THE WITNESS: I don't have an
14 exact date.
15 Q. (BY MR. BOWER) Do you know
16 whether it was -- could it have been 2012?
17 A. No. It was 2011.
[REDACTED]

Page 258

[REDACTED]

Page 260

[REDACTED]

Page 259

[REDACTED]

Page 261

[REDACTED]

Page 262

[REDACTED]

17 Do you know whether during this

18 time period reflected in bullet point 4

19 there, whether Reddwerks was flagging orders

20 for non-controlleds of 50 bottles or more?

21 A. Yes.

[REDACTED]

Page 263

[REDACTED]

Page 264

[REDACTED]

Page 265

1 Q. (BY MR. BOWER) When was

2 Walmart flagging orders for amounts

3 30 percent higher than a rolling four-week

4 average?

5 A. That began in 2011.

6 Q. And that again -- that began on

7 or about 12-20-2011; is that correct?

8 A. That's correct.

9 Q. And how long did that process

10 continue without any order alerts in place?

11 MS. TABACCHI: Object to the

12 form.

13 THE WITNESS: So I think I'm

14 confused about any order limits.

15 Q. (BY MR. BOWER) Okay.

16 A. The alerts included order

17 limits.

18 Q. Did the alerts include order

19 limits from their initial implementation?

20 MS. TABACCHI: Object to the

21 form.

22 THE WITNESS: The 50-bottle

23 alert was part of the initial

24 implementation.

Page 266

[REDACTED]

Page 268

[REDACTED]

Page 267

[REDACTED]

Page 269

[REDACTED]

Page 270

[REDACTED]

Page 272

[REDACTED]

Page 271

[REDACTED]

Page 273

[REDACTED]

Page 274

[REDACTED]

Page 276

1 the policy and procedure at Walmart DC 6045?

2 A. So the report would be

3 circulated for review. A report would be

4 created and then circulated for review by the

5 DC associates. And it was forwarded on to

6 our asset protection team as well, to -- to

7 just take a review of that location.

[REDACTED]

Page 275

[REDACTED]

9 In July 2012, Walmart also

10 begins to flag orders of more than 20 bottles

11 for Schedule II substances at DC 6045; is

12 that correct?

13 A. Yes.

14 MS. TABACCHI: Object to --

15 Go ahead.

16 Q. (BY MR. BOWER) And can you just

17 describe for us what that process was?

18 I know in here it says "for

19 further review and follow-up as needed."

20 Do you see that?

21 A. Yes.

22 Q. So let's say we're at the end

23 of 2012. An order for controlled substances

24 comes in for more than 20 bottles. What was

Page 277

[REDACTED]

Page 278

Page 280

Page 279

Page 281

Page 282

[REDACTED]

Page 284

[REDACTED]

Page 283

[REDACTED]

Page 285

[REDACTED]

Page 290

[REDACTED]

Page 292

[REDACTED]

Page 291

[REDACTED]

Page 293

[REDACTED]

7 Q. (BY MR. BOWER) Okay. Because

8 I think I understand what you're saying,

9 because Mr. Abernathy, for example, testified

10 that he would do some reports if he was the

11 first one in the office, for example.

12 Correct?

13 A. Correct. I read that in his

14 deposition.

15 Q. So under that circumstance, he

16 would be the one responsible for reporting to

17 the DEA a suspicious order?

18 MS. TABACCHI: Object to the

19 form.

20 THE WITNESS: If there was an

21 order that was identified in his

22 shift, he would be responsible for

23 that.

[REDACTED]

Page 298

[REDACTED]

Page 299

[REDACTED]

21 MR. BOWER: All right. Why
22 don't we take a quick break.
23 THE VIDEOGRAPHER: 1:55. We
24 are off the video record.

Page 300

1 (Recess taken, 1:55 p.m. to
2 2:13 p.m.)
3 THE VIDEOGRAPHER: 2:13. We
4 are on video record.
5 Q. (BY MR. BOWER) Okay. We're
6 back on the record. I want to continue going
7 down through these bullet points and just
8 kind of finish them off.
9 Are you still on that page in
10 front of you?
11 A. Yes.
12 Q. I want to talk for a minute ...

[REDACTED]

Page 301

[REDACTED]

Page 302

[REDACTED]

Page 304

[REDACTED]

Page 303

[REDACTED]

Page 305

[REDACTED]

Page 310

[REDACTED]

Page 312

[REDACTED]

7 A. The enhanced thresholds were

8 calculated using a year's worth of shipment

9 data, and then applying a formula, which was

10 the average weekly order, plus three standard

11 deviations over that 52-week shipment date.

12 Q. And when that formula was used,

13 would that provide the enhancements for a

14 particular store?

15 MS. TABACCHI: Object to the

16 form.

17 THE WITNESS: It was store and

18 item specific. And there were

19 additional defaults that were applied

20 to those thresholds as they were

21 calculated.

22 Q. (BY MR. BOWER) And can you

23 describe for us how those defaults -- let me

24 break that down a little bit.

Page 311

[REDACTED]

Page 313

1 How did Walmart go about

2 determining what the defaults would be?

3 A. So again, based on enhancing

4 what we had in place, we continued to use

5 that 50-unit limit. It was applied a little

6 bit differently in this context because we

7 took -- we took the dosage units and dropped

8 those down to item units to not exceed

9 5,000 units.

10 There was a default minimum

11 alert of 2,000 units applied, and then for

12 non-traited items for that location, there

13 was a limit set for a thousand dosage units.

[REDACTED]

Page 314

[REDACTED]

Page 316

[REDACTED]

Page 315

[REDACTED]

Page 317

[REDACTED]

Page 318

[REDACTED]

Page 320

[REDACTED]

Page 319

[REDACTED]

Page 321

[REDACTED]

Page 326

1 bullet point in the combined discovery
2 responses for a moment if we could. Same
3 bullet point referencing the enhanced
4 thresholds in Reddwerks.
5 So Walmart states that it
6 "implemented enhanced thresholds in Reddwerks
7 and the tiered review process."
8 Do you see that?
9 A. Yes.
10 Q. What is meant by a tiered
11 review process?
12 A. The process began to move --
13 still the process at the distribution center
14 was in place. But those alerts were then
15 reviewed by the logistics compliance team.
16 And then the tiering was that practice
17 compliance also was involved. So there were
18 additional teams that were involved in the
19 review.
20 Q. And is that tiered review
21 process reflected in any one of these written
22 policies and procedures on the previous page?
23 A. Yes.
24 Q. Okay.

Page 327

1 A. And those would be -- and
2 again, I have these in date order.
3 Q. Or if you give me the date, I
4 can point you to the tab. I have the dates
5 in front of me.
6 A. Sure. That tiered review
7 process started in 2015, the Bates No. 963 --
8 Q. Okay.
9 A. -- on the distribution center
10 policy.
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 328

[REDACTED]

Page 329

[REDACTED]

Page 330

[REDACTED]

Page 332

[REDACTED]

Page 331

[REDACTED]

Page 333

[REDACTED]

Page 334

[REDACTED]

Page 336

[REDACTED]

Page 335

[REDACTED]

Page 337

[REDACTED]

Page 338

Page 340

Page 339

Page 341

Page 346

1 [REDACTED]
2 MR. BOWER: Why don't we take a
3 quick break.
4 MS. TABACCHI: Sure.
5 MR. BOWER: We can be quick, if
6 you want. I don't know how long you
7 need.
8 THE VIDEOGRAPHER: 3:00 p.m.
9 We are off the video record.
10 (Recess taken, 3:00 p.m. to
11 3:22 p.m.)
12 THE VIDEOGRAPHER: 3:22. We
13 are on the video record.
14 Q. (BY MR. BOWER) We are back on
15 the record. Let me hand you what is marked
16 as Exhibit 10, which is a copy of the Masters
17 decision. Take a moment to review it, but I
18 assume you're familiar with that decision;
19 correct?
20 MS. TABACCHI: Just have her
21 look at it, please.
22 (Whereupon, Deposition Exhibit
23 Walmart 10, Masters decision, was
24 marked for identification.)

Page 347

1 MS. TABACCHI: I did review the
2 decision in preparation.
3 Q. (BY MR. BOWER) Do you have a
4 copy of the decision in the binder you
5 brought with you today?
6 A. Yes.
7 Q. Does the copy that you have in
8 the binder have a Bates number on it?
9 A. It does not. It's one that I
10 printed.
11 Q. So I know there was
12 representation made that --
13 MS. TABACCHI: That would be
14 the one exception, something from a
15 public record.
16 MR. BOWER: No, that's fine.
17 MS. TABACCHI: I thought of
18 that when she mentioned she had it.
19 Otherwise, I'm not aware of anything
20 else. It's either produced or in the
21 public record. There was nothing
22 else.
23 MR. BOWER: Thank you for that.
24 Q. (BY MR. BOWER) So I want to

Page 348

1 have -- I have a few questions on the
2 decision. Feel free to review the one in the
3 binder or the one I've given you. They
4 should be identical.
5 A. I believe they're identical.
6 Q. Did you review this decision in
7 preparation for your testimony today?
8 A. Yes.
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 Q. (BY MR. BOWER) So if you just
18 turn -- look at the first page of the
19 Masters, right at the beginning there under
20 the opinion -- are you with me there?
21 The Court notes that -- about
22 two sentences down, that "Over the past two
23 decades, DEA has been battling a steep
24 increase in prescription opioid abuse, a

Page 349

1 problem DEA views as epidemic."
2 Do you see that?
3 MS. TABACCHI: I'm sorry, Zach.
4 I don't see where you are.
5 MR. BOWER: Sorry. Just on the
6 first page, bottom right-hand corner,
7 about the middle of that paragraph,
8 right under "Opinion."
9 MS. TABACCHI: The Court
10 notes -- oh, "The Court notes." Those
11 are your words.
12 MR. BOWER: Those are my words.
13 MS. TABACCHI: I'm trying to
14 find the Court notes.
15 MR. BOWER: Sorry about that.
16 MS. TABACCHI: Can you do that
17 again?
18 MR. BOWER: Sure.
19 Q. (BY MR. BOWER) The language in
20 the opinion reads, "Over the past two
21 decades, DEA has been battling a steep
22 increase in prescription opioid abuse, a
23 problem that DEA views as an epidemic."
24 Do you see that?

Page 350

Page 352

1 A. Yes.

2 Q. Does Walmart have a similar
3 feeling that there's been an opioid epidemic
4 for the past two decades?

5 MS. TABACCHI: Object to the
6 form. Beyond the scope.

7 THE WITNESS: We are aware of
8 the issues, the health issues related
9 to the opioid crisis, epidemic,
10 however it's referred to in ...

11 Q. (BY MR. BOWER) And does Walmart
12 disagree that the crisis has been going on
13 for approximately two decades?

14 MS. TABACCHI: Object to the
15 form. Beyond the scope of the notice.

16 The witness can testify in her
17 individual capacity, not on behalf of
18 Walmart, as to this particular
19 question.

20 THE WITNESS: So I know that
21 there have been issues with controlled
22 substances, diversion, and misuse over
23 a period of -- a long period of time.

Page 351

Page 353

[illegible]

Page 358

[REDACTED]

Page 360

[REDACTED]

Page 359

[REDACTED]

Page 361

[REDACTED]

Page 362

[REDACTED]

Page 364

[REDACTED]

Page 363

[REDACTED]

Page 365

[REDACTED]

Page 366

[REDACTED]

Page 368

[REDACTED]

Page 367

[REDACTED]

Page 369

[REDACTED]

Page 370

[REDACTED]

Page 372

[REDACTED]

Page 371

1 [REDACTED]

Page 373

[REDACTED]

Page 378

1 to detect orders of interest. We
2 conducted due diligence. And if an
3 order was determined to be suspicious,
4 we did not ship and notified DEA.

[REDACTED]

Page 380

[REDACTED]

Page 379

[REDACTED]

Page 381

[REDACTED]

Page 382

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 Q. Going back to Masters for a
12 second in that same paragraph?
13 A. I'm sorry, I've already lost my
14 spot.
15 Q. Oh, sorry about that.
16 A. I'm here.
17 Q. It's page 4.
18 So after that sentence, the
19 Court goes on to say, "Simply accepting
20 whatever the pharmacist told them without
21 taking requisite steps to determine whether
22 explanations were accurate or even
23 plausible."
24 Do you see that?

Page 383

1 A. I see that.
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 Q. (BY MR. BOWER) If you'd turn

Page 384

1 to page 6 in the Masters decision.
2 Again, the right-hand column,
3 looking at the paragraph starting with
4 "Those," towards the top there? The first
5 full paragraph?
6 A. (Witness nods.)
7 Q. Do you see that?
8 A. Yes.
9 Q. Do you see the second sentence
10 in that paragraph, the Court states, "Most
11 strikingly, in lieu of reporting all held
12 orders, Masters employees deleted some and
13 edited others so that they appeared to be of
14 a normal size and pattern and then proceeded
15 to fill them."
16 Do you see that?
17 A. Yes.
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 385

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 386

[REDACTED]

Page 388

[REDACTED]

Page 387

[REDACTED]

Page 389

[REDACTED]

Page 390

[REDACTED]

18 Q. (BY MR. BOWER) If you'd turn
19 to page 9 of Masters.
20 Again, on the right-hand
21 column. Do you see the first -- I guess the
22 first full paragraph, the reference to the
23 shipping requirement?
24 A. On page 9?

Page 391

1 Q. Yeah, page 9, right-hand
2 column, first full paragraph starting in -- I
3 guess it's Pet'r Br. 46. That paragraph?
4 A. I see the paragraph.
5 Q. Do you see that?
6 So the second -- I think it's
7 the second full -- third full sentence.
8 States "As noted above, the shipping
9 requirement mandates that pharmaceutical
10 companies exercise due diligence before
11 shipping any suspicious order."
12 Do you see that?
13 A. Yes.

[REDACTED]

Page 392

[REDACTED]

Page 393

[REDACTED].
(Whereupon, Deposition Exhibit
Walmart 11, September 2010 email
chain. Subj: RE: DEA Audit at DC
6013, WMT_MDL_000057259-57260, was
marked for identification.)
Q. (BY MR. BOWER) I've handed you
what's marked as Exhibit 11 to today's
deposition. The Bates number is 57259
through 60.

[REDACTED]

Page 394

Page 396

[illegible][illegible]

Page 395

Page 397

[illegible][illegible]

Page 398

[REDACTED]

Page 400

[REDACTED]

Page 399

[REDACTED]

Page 401

[REDACTED]

Page 402

[REDACTED]

Page 404

1 consider to be too few?
2 MS. TABACCHI: Same objections.
3 THE WITNESS: It would be
4 something that didn't make sense for
5 the business. That we were reviewing

[REDACTED]

Page 403

[REDACTED]

24 Q. (BY MR. BOWER) What did Walmart

Page 405

[REDACTED]

Page 406

[REDACTED]

Page 408

1 intent was never to ship a suspicious
2 order. However, I think that if
3 there's too many false positives, it
4 could lead to missing --

5 I think one could lead to the
6 other from an unintended consequence
7 perspective. That's why we were
8 working to get it right knowing that
9 neither situation was the ideal. And
10 that's why we continued to adjust and
11 improve and make modifications to our
12 program over a continuum of time.

13 MS. TABACCHI: Can we just take
14 a break when you come to a right
15 moment?

16 MR. BOWER: Sure. Go ahead.

17 THE VIDEOGRAPHER: 4:20. We
18 are off the video record.

19 (Recess taken, 4:20 p.m. to
20 4:43 p.m.)

21 THE VIDEOGRAPHER: 4:43. We
22 are on the video record.

23 Q. (BY MR. BOWER) All right.
24 We're back on the record. I just would ask

Page 407

[REDACTED]

23 THE WITNESS: I think you have
24 to look at the circumstances. Our

Page 409

1 you to pull out Exhibit 9 again, if you
2 would. I just have a couple of other
3 questions.

[REDACTED]

20 Q. Did you talk with Ms. Johnson
21 about that work she performed in preparation
22 for today's deposition?

23 MS. TABACCHI: Object to the
24 form.

Page 410

Page 412

1 THE WITNESS: Yes.
2 Q. (BY MR. BOWER) Do you have any
3 understanding -- or strike that.

A horizontal bar chart with 20 rows of data. Each row consists of a small black square on the left, followed by a long black bar. The bars vary in length, with some being significantly longer than others, indicating a distribution of values. The bars are arranged in a descending order of length from top to bottom.

Page 411

Page 413

[illegible]

Q. (BY MR. BOWER) After September 21st, 2015, when was the next time Walmart improved its suspicious order monitoring program?

MS. TABACCHI: Object to the form.

THE WITNESS: So there were ongoing processes that were being worked on, the most significant of which was the switch from the Reddwerks program to the Buzzeeo program that occurred in 2017.

Page 418

[REDACTED]

Page 420

[REDACTED]

Page 419

1 [REDACTED]

Page 421

[REDACTED]

Page 422

[REDACTED]

Page 424

[REDACTED]

Page 423

[REDACTED]

Page 425

[REDACTED]

Page 426

[REDACTED]

Page 428

[REDACTED]

Page 427

[REDACTED]

Page 429

[REDACTED]

Page 430

[REDACTED]

Page 432

[REDACTED]

Page 431

[REDACTED]

Page 433

[REDACTED]

Page 434

[REDACTED]

Page 436

1 improvement.
2 Additionally, there was an
3 algorithm applied that Buzzeeo
4 determined to set those thresholds.
5 So those were the largest changes
6 around how the program worked.

[REDACTED]

Page 435

1 [REDACTED]
2 THE WITNESS: We did implement
3 Buzzeeo at the end of 2017.
4 Q. (BY MR. BOWER) And was the
5 implementation of Buzzeeo improvement of
6 Walmart's SOM program?
7 MR. TABACCHI: Object to the
8 form.
9 THE WITNESS: It was a
10 continuous evolution and improvement
11 in the automation of orders in how
12 they were flagged.
13 Q. (BY MR. BOWER) Okay. And how,
14 if at all, did the change to Buzzeeo impact
15 how orders of controlled substances were
16 flagged?
17 MR. TABACCHI: Object to the
18 form.
19 THE WITNESS: It specifically
20 sat ahead of the distribution system.
21 So an order was alerted -- an order
22 that was alerted came to the practice
23 compliance team before going to the
24 logistics team. So that was an

Page 437

[REDACTED]

Page 438

[REDACTED]

Page 440

[REDACTED]

16 MS. TABACCHI: Zach, I'd
17 appreciate it if you would not
18 interrupt the witness.
19 MR. BOWER: We all know we have
20 limited time. The question she was
21 answering was not the question that
22 was pending, and so we need to move
23 forward.
24 MR. TABACCHI: It's

Page 439

[REDACTED]

Page 441

1 disrespectful.
2 MR. BOWER: I'm not trying to
3 be disrespectful. I'm just trying to
4 focus --
5 MS. TABACCHI: You are being
6 disrespectful.
7 MR. BOWER: I'm just trying to
8 get her answers on the question that's
9 pending.
[REDACTED]

Page 446

[REDACTED]

Page 448

[REDACTED]

Page 447

[REDACTED]

Page 449

[REDACTED]

Page 456

1 Okay?
2 A. Okay.
3 Q. Unless it's -- is it something
4 that your memory has been refreshed over the
5 break?
6 A. It is information specific to
7 one of the exhibits.
8 Q. Okay. Well, I guess it's a
9 little bit unusual, but let's hear it.
10 A. So in -- as we were talking
11 about the exhibit that -- I'll have to find
12 it -- that showed our reporting post
13 Masters --
14 Q. Mm-hmm.
15 A. -- of orders of interest, where
16 we reported orders of interest prior to due
17 diligence to determine whether or not they
18 were suspicious?
19 Q. Okay.
20 A. We did report those to DEA.
21 And after that reporting, we had two
22 different DEA offices contact us and ask us
23 why we were reporting those and asked us to
24 stop reporting.

Page 457

1 Q. Okay. Thank you for that.
2 (Whereupon, Deposition Exhibit
3 Walmart 15, 6-21-16 email from Patsy
4 Little. Subj: Oxycodone marketing
5 plan, MNK-T1_0004830712, was marked
6 for identification.)
7 MR. BOWER: You've been handed
8 what's been marked as Exhibit 15.
9 MS. TABACCHI: Do you have a
10 copy for me?
11 MR. BOWER: Oh, sorry.
12 Q. (BY MR. BOWER) In preparation
13 for today's deposition, did you inquire
14 whether Walmart engaged in any marketing for
15 opioid products?
16 MS. TABACCHI: Objection,
17 beyond the scope.
18 THE WITNESS: I did read the
19 interrogatory and the response.
20 Q. (BY MR. BOWER) Okay. Did you
21 talk to Ms. Little regarding monitoring for
22 oxycodone?
23 MS. TABACCHI: Same objection.
24 THE WITNESS: I did not

Page 458

1 interview Patsy Little in my
2 preparation.

3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 459

2 THE WITNESS: My preparation
3 indicates that we did not participate
4 in marketing of opioids.

5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

22 MS. TABACCHI: Object to the
23 form.

24 (Whereupon, Deposition Exhibit

Page 460

1 Walmart 16, Chain Pharmacist Practice
2 Memo. Vol. 6/Number 9,
3 PKY181864224-PKY181864229, was marked
4 for identification.)

5 Q. (BY MR. BOWER) You've been
6 handed what's been marked as Exhibit 16 to
7 today's deposition.

8 Just for the record, this is a
9 Purdue document that was produced as
10 non-confidential. Bates number is
11 PKY181864224. And it's a chain pharmacist
12 practice memo from September 2002.

13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

Page 461

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

12 Q. (BY MR. BOWER) And I just have
13 a couple of questions on this memo, then.

14 Do you see it says "Special
15 Issue: Prescription Drug Misuse and Abuse."
16 Do you see that?

17 A. Yes.

18 Q. And do you see that it notes
19 that hydrocodone may be the most abused drug?

20 A. I see that.

21 Q. And then it goes on to mention
22 hydrocodone again kind of at the bottom,
23 right above the "Age and gender differences
24 in prescribing drug abuse trends."

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[REDACTED]

Page 468

[REDACTED]

Page 467

[REDACTED]

Page 469

[REDACTED]

Page 474

[REDACTED]

Page 476

[REDACTED]

Page 475

[REDACTED]

Page 477

[REDACTED]

Page 478

[REDACTED]

Page 480

[REDACTED]

Page 479

[REDACTED]

Page 481

[REDACTED]

Page 482

1 [REDACTED]
2 [REDACTED]
3 [REDACTED].
4 MS. TABACCHI: I would just
5 like to ask, are we out of time?
6 THE VIDEOGRAPHER: About a
7 minute.
8 MR. BOWER: We have a minute
9 left.
10 MS. TABACCHI: One minute. Go
11 ahead.
12 MR. BOWER: Are you going to
13 cut me off right at seven hours even
14 though we've made several statements
15 on the record that I objected to?
16 I'm just asking so I know.
17 MS. TABACCHI: We should
18 conclude the deposition when you're
19 out of time.
20 MR. BOWER: So I have more
21 questions, so I'm going to keep asking
22 until your counsel cuts me off, okay?
23 [REDACTED]
24 [REDACTED]

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1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 MS. TABACCHI: I do believe
19 that the deposition -- that we're past
20 seven hours now; is that correct?
21 THE VIDEOGRAPHER: We are.
22 MR. BOWER: So I think you just
23 cut it off. She was finishing her
24 answer.

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1 MS. TABACCHI: I'm sorry. Were
2 you not finished?
3 THE WITNESS: I think I was.
4 MR. BOWER: Okay.
5 And I take it that you won't
6 let me ask any follow-up questions at
7 least on that question. Is that
8 correct?
9 MS. TABACCHI: I mean, I think
10 we're -- you know, you've chose to use
11 your time in the way that you've used
12 your time. You know, I don't know
13 what additional questions you have,
14 but, you know, we've been here for all
15 day. It's dark. It's -- you know,
16 it's almost 6:30.
17 MR. BOWER: This is a big
18 important case. We want to get to --
19 we need to get all of the facts out.
20 So we have more questions.
21 MS. TABACCHI: The witness has
22 been here all day for you, so I think
23 we'll take a break now and we'll be
24 back in a moment.

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1 MR. BOWER: So -- do you mean
2 for your questions or do you mean to
3 give me more time?
4 MS. TABACCHI: We're going to
5 go off the record and take a break and
6 we'll be back in a moment.
7 MR. BOWER: Okay. While we're
8 still on the record, do you have any
9 questions for this witness?
10 MS. TABACCHI: We'd like to
11 take a break, and then we will come
12 back.
13 MR. BOWER: So before you know
14 whether you're going to have
15 questions, you're going to take a
16 break; is that correct?
17 MS. TABACCHI: Correct.
18 THE VIDEOGRAPHER: 6:23. We
19 are off the video record.
20 (Recess taken, 6:22 p.m. to
21 6:25 p.m.)
22 MS. TABACCHI: We don't have to
23 go back on the record, because we
24 don't have any questions.

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1 We have no questions for this
2 witness. So we can conclude for
3 today.
4 THE VIDEOGRAPHER: 6:26. We
5 are on the video record.
6 Any further questions?
7 MS. TABACCHI: No. Thank you.
8 THE VIDEOGRAPHER: 6:27. We
9 are off the video record. This
10 concludes the video deposition.
11 (Proceedings recessed at 6:27
12 p.m.)
13 --o0o--
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1 CERTIFICATE
2 I, DEBRA A. DIBBLE, Registered
3 Diplomat Reporter, Certified Realtime
4 Reporter, Certified Realtime Captioner,
5 Certified Court Reporter and Notary Public,
6 do hereby certify that prior to the
7 commencement of the examination, Walmart
8 30(b)(6), Witness Susanne Hiland, was duly
9 sworn by me to testify to the truth, the
10 whole truth and nothing but the truth.
11 I DO FURTHER CERTIFY that the
12 foregoing is a verbatim transcript of the
13 testimony as taken stenographically by and
14 before me at the time, place and on the date
15 hereinbefore set forth, to the best of my
16 ability.
17 I DO FURTHER CERTIFY that pursuant
18 to FRCP Rule 30, signature of the witness was
19 not requested by the witness or other party
20 before the conclusion of the deposition.
21 I DO FURTHER CERTIFY that I am
22 neither a relative nor employee nor attorney
23 nor counsel of any of the parties to this
24 action, and that I am neither a relative nor
25 employee of such attorney or counsel, and
26 that I am not financially interested in the
27 action.
28
29 DEBRA A. DIBBLE, RDR, CRR, CRC
30 NCRA Registered Diplomat Reporter
31 NCRA Certified Realtime Reporter
32 Certified Court Reporter
33 Dated: 22 January 2019
34

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1 INSTRUCTIONS TO WITNESS
2
3 Please read your deposition over
4 carefully and make any necessary corrections.
5 You should state the reason in the
6 appropriate space on the errata sheet for any
7 corrections that are made.
8 After doing so, please sign the
9 errata sheet and date it.
10 You are signing same subject to
11 the changes you have noted on the errata
12 sheet, which will be attached to your
13 deposition.
14 It is imperative that you return
15 the original errata sheet to the deposing
16 attorney within thirty (30) days of receipt
17 of the deposition transcript by you. If you
18 fail to do so, the deposition transcript may
19 be deemed to be accurate and may be used in
20 court.
21
22
23
24

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1 ERRATA
2 PAGE LINE CHANGE
3
4 REASON: _____
5
6 REASON: _____
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8 REASON: _____
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20 REASON: _____
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22 REASON: _____
23
24 REASON: _____

ACKNOWLEDGMENT OF DEPONENT

I, Walmart 30(b)(6) witness
Susanne Hiland, do hereby certify that I have
read the foregoing pages and that the same is
a correct transcription of the answers given
by me to the questions therein propounded,
except for the corrections or changes in form
or substance, if any, noted in the attached
Errata Sheet.

Susanne Hiland - Walmart 30(b)(6) DATE

Subscribed and sworn to before me this _____ day of _____, 20 _____.
My commission expires: _____

Notary Public

LAWYER'S NOTES

PAGE LINE

[illegible]